

557B.8 Disclosures to purchasers.

A membership camping operator who is subject to the registration requirements of section 557B.3 shall provide a disclosure statement to a purchaser or prospective purchaser before the person signs a membership camping contract or gives any money or thing of value for the purchase of a membership camping contract.

1. The front cover or first page of the disclosure statement shall contain only the following, in the order stated:

a. "MEMBERSHIP CAMPING OPERATOR'S DISCLOSURE STATEMENT" printed at the top in boldface type of a minimum size of ten points.

b. The name and principal business address of the membership camping operator and any material affiliate of the membership camping operator.

c. A statement that the membership camping operator is in the business of offering for sale membership camping contracts.

d. A statement, printed in boldface type of a minimum size of ten points, which reads as follows:

THIS DISCLOSURE STATEMENT CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN THE EXECUTION OF A MEMBERSHIP CAMPING CONTRACT. THE MEMBERSHIP CAMPING OPERATOR IS REQUIRED BY LAW TO DELIVER TO YOU A COPY OF THIS DISCLOSURE STATEMENT BEFORE YOU EXECUTE A MEMBERSHIP CAMPING CONTRACT. THE STATEMENTS CONTAINED IN THIS DOCUMENT ARE ONLY SUMMARY IN NATURE. YOU AS A PROSPECTIVE PURCHASER SHOULD REVIEW ALL REFERENCES, EXHIBITS, CONTRACT DOCUMENTS, AND SALES MATERIALS. YOU SHOULD NOT RELY UPON ANY ORAL REPRESENTATIONS AS BEING CORRECT. REFER TO THIS DOCUMENT AND TO THE ACCOMPANYING EXHIBITS FOR CORRECT REPRESENTATIONS. THE MEMBERSHIP CAMPING OPERATOR IS PROHIBITED FROM MAKING ANY REPRESENTATIONS WHICH CONFLICT WITH THOSE CONTAINED IN THE CONTRACT AND THIS DISCLOSURE STATEMENT.

e. A statement, printed in boldface type of a minimum size of ten points, which reads as follows:

IF YOU EXECUTE A MEMBERSHIP CAMPING CONTRACT, YOU HAVE THE UNQUALIFIED RIGHT TO CANCEL THE CONTRACT. THIS RIGHT OF CANCELLATION CANNOT BE WAIVED. THE RIGHT TO CANCEL EXPIRES AT MIDNIGHT ON THE THIRD BUSINESS DAY FOLLOWING THE DATE ON WHICH THE CONTRACT WAS EXECUTED OR THE DATE OF RECEIPT OF THIS DISCLOSURE STATEMENT, WHICHEVER EVENT OCCURS LATER. TO CANCEL THE MEMBERSHIP CAMPING CONTRACT, YOU AS THE PURCHASER MUST HAND DELIVER OR MAIL NOTICE OF YOUR INTENT TO CANCEL TO THE MEMBERSHIP CAMPING OPERATOR AT THE ADDRESS SHOWN IN THE MEMBERSHIP CAMPING CONTRACT, POSTAGE PREPAID. THE MEMBERSHIP CAMPING OPERATOR IS REQUIRED BY LAW TO RETURN ALL MONEYS PAID BY YOU IN CONNECTION WITH THE EXECUTION OF THE MEMBERSHIP CAMPING CONTRACT, UPON YOUR PROPER AND TIMELY CANCELLATION OF THE CONTRACT AND RETURN OF ALL MEMBERSHIP AND RECIPROCAL USE PROGRAM MATERIALS FURNISHED AT THE TIME OF PURCHASE.

2. The following pages of the disclosure statement shall contain all of the following in the order stated:

a. The name, principal occupation, and address of every director, partner, or controlling person of the membership camping operator.

b. A brief description of the nature of the purchaser's right or license to use the campground and the facilities which are to be available for use by purchasers.

c. A brief description of the membership camping operator's experience in the

membership camping business, including the length of time the operator has been in the membership camping business.

d. The location of each of the campgrounds which is to be available for use by purchasers and a brief description of the facilities at each campground which are currently available for use by purchasers. Facilities which are planned, incomplete, or not yet available for use shall be clearly identified as incomplete or unavailable. A brief description of any facilities that are or will be available to nonpurchasers shall also be provided. The description shall include, but need not be limited to, the number of campsites in each park, the number of campsites in each park with full or partial hookups, swimming pools, tennis courts, recreation buildings, restrooms and showers, laundry rooms, trading posts, and grocery stores.

e. The fees and charges that purchasers are or may be required to pay for the use of the campground or any facilities.

f. Any initial or special fee due from the purchaser, together with a description of the purpose and method of calculating the fee.

g. The extent to which financial arrangements, if any, have been provided for the completion of facilities, together with a statement of the membership camping operator's obligation to complete planned facilities. The statement shall include a description of any restrictions or limitations on the membership camping operator's obligation to begin or to complete the facilities.

h. The names of the managing entity, if any, and the significant terms of any management contract, including but not limited to, the circumstances under which the membership camping operator may terminate the management contract.

i. A summary or copy, whether by way of supplement or otherwise, of the rules, restrictions, or covenants regulating the purchaser's use of the campground and the facilities which are to be available for use by the purchaser, including a statement of whether and how the rules, restrictions, or covenants may be changed.

j. A brief description of the policies covering the availability of camping sites, the availability of reservations and the conditions under which they are made.

k. A brief description of any grounds for forfeiture of a purchaser's membership camping contract.

l. A statement of whether the membership camping operator has the right to withdraw permanently from use, all or any portion of any campground devoted to membership camping and, if so, the conditions under which the withdrawal is to be permitted.

m. A statement describing the material terms and conditions of any reciprocal program to be available to the purchaser, including a statement concerning whether the purchaser's participation in any reciprocal program is dependent on the continued affiliation of the membership camping operator with that reciprocal program and whether the membership camping operator reserves the right to terminate such affiliation.

n. As to all memberships offered by the membership camping operator at each campground, all of the following:

(1) The form of membership offered.

(2) The types of duration of membership along with a summary of the major privileges, restrictions, and limitations applicable to each type.

(3) Provisions that have been made for public utilities at each campsite including water, electricity, telephone, and sewage facilities.

o. A statement of the assistance, if any, that the membership camping operator will provide to the purchaser in the resale of membership camping contracts and a detailed description of how any such resale program is operated.

p. The following statement, printed in boldface type of a minimum size of ten points:

REGISTRATION OF THE MEMBERSHIP CAMPING OPERATOR WITH THE IOWA ATTORNEY GENERAL DOES NOT CONSTITUTE AN APPROVAL OR ENDORSEMENT BY THE ATTORNEY GENERAL OF THE MEMBERSHIP CAMPING OPERATOR, THE MEMBERSHIP CAMPING CONTRACT, OR THE CAMPGROUND.

The membership camping operator shall promptly amend the disclosure statement to reflect any material change and shall promptly file any such amendments with the attorney general.

87 Acts, ch 181, §12

Referred to in §557B.3, 557B.10